

Agency Activity Inventory by Agency

Appropriation Period: 2005-07 Activity Version: Governor's 2005-07 Budget - New Law

Agency: 095 - Office of State Auditor

Administrative Activity

This activity provides for the administration of the Office of the State Auditor.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$1,146,000	\$0	\$1,146,000	11.2	\$1,159,000	\$0	\$1,159,000	11.2

Expected Results:

Provide oversight and leadership over programs within the State Auditor's Office including the agency's risk management program.

Outcome Measure: Decrease the dollar amount of total idemnities paid for tort claims by 5 percent for each of the next three fiscal years.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
\$0	\$0	\$0	\$0	\$5,500	\$5,225

Not measured prior to the 2005-2007 biennium.

Audit of School Programs

The School Programs audit team assesses school district compliance with legal criteria that must be met as a condition for receiving General Fund monies. There are 296 school districts subject to this audit effort. The team also assists the Special Education Safety Net Committee, works with staff of the Office of Superintendent of Public Instruction on audit resolution, and provides training for school district staff.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$715,000	\$715,000	\$0	7.6	\$717,000	\$717,000	\$0	7.6

Expected Results:

To verify the accuracy of school district data submitted for funding purposes.

Outcome Measure: Percentage of customers generally and very satisfied with the results of our K-12 audit work. Pertinent staff of the fiscal committees of the Legislature and the Office of Superintendent of Public Instruction will be surveyed.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	85%	86%

Not measured prior to the 2005-2007 biennium.

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Audits of Local Government

The Office of the State Auditor independently audits local governments at least every three years, with the exception of self-insurance plans, which are audited on a two-year cycle. There are approximately 2,400 local government entities, including counties, cities, schools, ports, public utilities, hospital districts, and fire districts. Auditors use a risk-based approach which focuses on public resources most likely to be at risk of loss or misappropriation. Beyond examining the financial condition, accounting and reporting by local governments, the audits assess compliance with the Constitution, state laws, and local government ordinances. Any report disclosing malfeasance, misfeasance or nonfeasance in office on the part of local government officers or employees is referred to the county prosecuting attorney or federal government for recovery of funds and prosecution. Bond rating agencies rely on these audit reports in performing their assessments. (Municipal Revolving Account - Nonappropriated)

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$14,057,000	\$0	\$14,057,000	173.0	\$14,108,000	\$0	\$14,108,000	172.1

Expected Results:

To provide independent, quality audits of local governments in accordance with generally accepted government auditing standards at a reasonable cost.

Outcome Measure: Percentage of bond rating agencies generally and very satisfied with the overall quality of local government audits.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	92%	95%

Not measured prior to the 2005-2007 Biennium.

Outcome Measure: Percentage of local governments generally and very satisfied with the overall quality of local government audits. The measurement of overall quality includes an assessment of accuracy of fact, fairness, and value.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	86%	88%

Not measured prior to the 2005-2007 Biennium.

Outcome Measure: Audit cost containment as measured by the average cost of audit compared to the total expenditures audited by entity type.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	0.06%	0.06%

Not measured prior to the 2005-2007 Biennium.

Audits of State Government

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The office audits annually the basic financial statements prepared by the Office of Financial Management. This audit includes an examination of internal controls over public resources and compliance with the Constitution and federal and state laws and regulations. The audit meets legal requirements contained in the Congressional Single Audit Act. There are 168 state agencies, boards, and commissions subject to this audit effort, which uses a risk-based approach to focus on public resources at highest risk of loss or misappropriation. Audits of state agencies disclosing malfeasance, misfeasance or nonfeasance on the part of any public officer or employee are referred to the Office of the Attorney General or federal government for recovery of funds and prosecution. Bond rating agencies rely on state government audits in performing their assessments. (Auditing Services Revolving Account)

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$5,897,000	\$0	\$5,897,000	82.3	\$5,779,000	\$0	\$5,779,000	82.3

Expected Results:

To provide independent, quality audits of state government in accordance with generally accepted government auditing standards at a reasonable cost.

Outcome Measure: Percentage of bond rating agencies generally and very satisfied with the overall quality of state government audits.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	92%	95%

Not measured prior to the 2005-2007 Biennium.

Outcome Measure: Audit cost containment as measured by the total cost of audit compared to total state expenditures audited.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	0.02%	0.02%

Not measured prior to the 2005-2007 Biennium.

Investigating Improper Governmental Actions

The Office of the State Auditor administers the state employee whistleblower program which encourages state employees to disclose, to the extent not expressly prohibited by law, improper governmental actions. Improper governmental action means any action by an employee undertaken in the performance of the employee's official duties, which is a gross waste of public funds or resources or in violation of federal or state law or rule, if the violation is not merely technical or of a minimum nature, or of substantial and specific danger to the public health or safety. (Auditing Services Revolving Account)

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$360,000	\$0	\$360,000	4.0	\$334,000	\$0	\$334,000	4.0

Expected Results:

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To investigate and report, in a responsive and unbiased manner, assertions of improper activities in state government.

Outcome Measure: Percentage of assertions of improper governmental actions resolved.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	0%	0%	90%	92%

Not measured prior to the 2005-2007 Biennium.

Local Government Budgeting, Accounting and Reporting System and Statistics

The Office of the State Auditor, in collaboration with local governments, sets uniform accounting standards for local governments, allowing for consistent reporting of data, timely analysis, and greater public understanding. The office helps local governments meet these standards by providing technical assistance and training. Each year, the office works with local governments to update the Budgeting, Accounting, and Reporting Systems (BARS) for local governments. Annually, the office publishes a compilation of local government comparative statistics, a 10-year history of financial information for comparing entities and analyzing programs. Bond rating agencies often rely on the local government financial reporting system in performing their assessments. (Municipal Revolving Account-Nonappropriated)

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Governance

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$479,000	\$0	\$479,000	5.7	\$478,000	\$0	\$478,000	5.7

Expected Results:

To establish uniform systems of budgeting, accounting, and reporting for local governments by class and entity type and to collect and report consistent, timely, and reliable local government financial information.

Outcome Measure: Percentage of users generally and very satisfied with local government budgeting, accounting, and reporting systems.

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
0%	0%	86%	87%	88%	88%

Not measured in the 2001-2003 Biennium

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Human resources support for government agencies

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Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$847,000	\$27,000	\$820,000	0.0	\$1,571,000	\$47,000	\$1,524,000	0.0

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